

**CONDENSED CONSOLIDATED INCOME STATEMENT**

(the figures have not been audited)

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31/03/2017 RM'000	Preceding Year Quarter 31/03/2016 RM'000	Current Year To Date 31/03/2017 RM'000	Preceding Year To Date 31/03/2016 RM'000
Revenue	20	23,912	20,570	23,912	20,570
Cost of Sales		(17,998)	(15,637)	(17,998)	(15,637)
Gross Profit		5,915	4,934	5,915	4,934
Operating Expenses		(5,120)	(3,727)	(5,120)	(3,727)
Other Operating Income		2,059	1,308	2,059	1,308
Profit/(Loss) from Operations		2,854	2,514	2,854	2,514
Finance Costs		(325)	(374)	(325)	(374)
Profit/(Loss) before tax	21	2,529	2,140	2,529	2,140
Income tax expense	14	(573)	(573)	(573)	(573)
Profit/(Loss) for the period		1,956	1,567	1,956	1,567
Other comprehensive income, net of tax		-	-	-	-
Total Comprehensive Income for the period		1,956	1,567	1,956	1,567
Profit attributable to:-					
Owners of the Company		1,724	1,376	1,724	1,376
Minority Interest		231	191	231	191
		1,956	1,567	1,956	1,567
Total Comprehensive Income attributable to:-					
Owners of the Company		1,724	1,376	1,724	1,376
Minority Interest		231	191	231	191
		1,956	1,567	1,956	1,567
Earnings/(Loss) per share:-	24				
- Basic (sen)		0.54	0.43	0.54	0.43
- Diluted (sen)		NA	NA	NA	NA

The Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	Note	Unaudited At 31.03.2017 RM'000	Audited As at 31.12.2016 RM'000
<b>Property, Plant and Equipment</b>		14,304	15,094
<b>Other Investments</b>		63	63
<b>Land Held for Property Development &amp; Property Development Costs</b>		16,262	16,262
<b>Trade receivables</b>		18,710	18,710
<b>Amount due by Related Parties</b>		13,121	13,121
<b>Deferred tax assets</b>		2,165	2,165
<b>Current Assets</b>			
Held-for-sale properties		8,063	8,063
Inventories		16,466	16,581
Trade receivables		170,302	175,263
Property Development Costs		19,459	18,921
Joint-venture development costs		75,828	74,901
Due by contract customers		120,607	125,129
Amount due by related parties		16,765	16,660
Other receivables, deposits and prepayments		32,763	32,743
Fixed and security deposits		4,598	4,598
Cash and bank balances		1,662	1,487
		466,512	474,346
<b>Current Liabilities</b>			
Trade payables		(67,535)	(68,644)
Due to contract customers		(113,799)	(120,506)
Amount due to related parties		(456)	(456)
Other payables, deposits received and accruals		(21,547)	(21,968)
Bank borrowings		(5,496)	(7,248)
Provisions		(3,620)	(3,621)
Tax Liabilities		(13,735)	(14,073)
		(226,188)	(236,516)
<b>Net Current Assets</b>		240,324	237,830
		<b>304,950</b>	<b>303,245</b>
<b>Represented by:-</b>			
<b>Share Capital</b>		320,250	320,250
<b>Reserve</b>	25	(75,247)	(76,971)
<b>Total Equity Attributable to Owners of the Company</b>		245,003	243,279
<b>Non-controlling Interests</b>		4,607	4,376
<b>Total Equity</b>		249,610	247,655
<b>Non-Current Liabilities</b>			
Bank borrowings		55,340	55,590
		<b>304,950</b>	<b>303,245</b>
<b>Net Assets per share (RM)</b>		<b>0.7794</b>	<b>0.7733</b>

The Condensed Consolidated Balance Sheets should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the period ended 31 March 2017

	<----- Attributable to Equity Holders of the Parent ----->					Total	Minority Interests	Total Equity
	Issued Capital	Exchange Translation Reserve	Revaluation Reserve	Share Premium	Distributable Accumulated Loss			
	RM'000	0	0	0	RM'000	RM'000	RM'000	RM'000
At 01.01.2017	320,250	(1,731)	85	16,683	(92,008)	243,279	4,376	247,655
Total comprehensive income for the period	-	-	-	-	1,724	1,724	231	1,955
At 31.03.2017	320,250	(1,731)	85	16,683	(90,284)	245,003	4,607	249,610

For the period ended 31 March 2016

	<----- Attributable to Equity Holders of the Parent ----->					Total	Minority Interests	Total Equity
	Issued Capital	Exchange Translation Reserve	Revaluation Reserve	Share Premium	Distributable Accumulated Loss			
	RM'000	0	0	0	RM'000	RM'000	RM'000	RM'000
At 01.01.2016	320,250	(1,390)	85	16,683	(97,425)	238,203	3,829	242,032
Total comprehensive income for the period	-	-	-	-	1,376	1,376	191	1,567
At 31.03.2016	320,250	(1,390)	85	16,683	(96,049)	239,579	4,020	243,599

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Cumulative 3 months to 31.03.2017 RM'000	Cumulative 3 months to 31.03.2016 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	2,529	2,140
Adjustments for:-		
Depreciation	752	555
Interest expenses	325	374
Interest income	(1,359)	(1,258)
<b>Operating profit/(loss) before working capital changes</b>	<b>2,247</b>	<b>1,811</b>
<b>(Increase)/Decrease in :-</b>		
Inventories	115	(355)
Receivables	5,894	25,119
Land held for property development and property development costs	(538)	(99)
Joint-venture development costs	(927)	(1,101)
Due by/to contract customers	(2,184)	(14,580)
Amount due from related parties	(106)	(896)
<b>Increase/(Decrease) in :-</b>		
Payables	(1,623)	(5,332)
Net cash generated from/(absorbed by) operations	2,879	4,567
Interest received	-	4
Interest paid	(325)	(374)
Tax paid	(338)	(427)
<b>Net Cash Flow from Operating Activities</b>	<b>2,215</b>	<b>3,770</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(38)	(61)
<b>Net Cash Flow from Investing Activities</b>	<b>(38)</b>	<b>(61)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from/(Repayment of) hire-purchase arrangement	(359)	(140)
Proceeds from/(Repayment of) term loans	(1,643)	(1,290)
<b>Net Cash Flow from Financing Activities</b>	<b>(2,002)</b>	<b>(1,430)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>175</b>	<b>2,279</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,405</b>	<b>6,096</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>2,580</b>	<b>8,375</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		
Cash and bank balances	1,662	7,485
Fixed and security deposits	918	890
	<b>2,580</b>	<b>8,375</b>

The Condensed Consolidated Cashflow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for year ended 31 December 2016.

**NOTES TO THE INTERIM FINANCIAL REPORT**

**1) Basis of Accounting and Accounting Policies**

The interim financial report of the Group has been prepared in accordance with FRS 134 "Interim Financial Reporting" and Appendix B (Part A) of the Listing Requirements (Main Market) of the Bursa Malaysia Securities Bhd ("Bursa Securities") and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2016.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new Malaysian Financial Reporting Standard ("MFRS"). Adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

For financial year ending 31 December 2017, the Group will continue to prepare financial statements using applicable Financial Reporting Standards ("FRSs"). The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2016 except for adoption of new/revised MFRSs which came into effect in the current financial period/year, if any. The adoption of new/revised MFRSs have no significant impact on the financial statements of the Group.

The Group has not adopted any new/revised MFRSs and IC Interpretations that have been issued but not yet effective for the Group.

**2) Previous Year's Audit Qualification and Current Status**

The audited financial statements of the Company for the financial year ended 31 December 2016 were not subject to any audit qualification.

**3) Seasonal or Cyclical Factors affecting Operations**

The construction activities of the Group can be materially affected by some seasonal or cyclical factors.

**4) Material Unusual Item**

There was no material unusual item for the current financial quarter and financial year to date.

**5) Material Changes in Estimates reported previously**

Not applicable.

**6) Issuance/Cancellation/Repurchase/Resale/Repayment of Debts/Equity Securities**

There was no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

**7) Dividends**

No dividend had been declared for the current financial quarter and financial year to date.

**8) Segmental Information**

	<b>Construction RM'000</b>	<b>Property Development RM'000</b>	<b>Manufacturing and Trading RM'000</b>	<b>Total RM'000</b>
<b>Segment profit</b>	(270)	1,101	1,147	1,978
Included in the measure of segment profit are:-				
Revenue from external customers	7,466	1,983	14,662	24,111
Inter-segment revenue	-	-	(198)	(198)
Not included in the measure of segment profit but provided to Chief Executive Officer ("CEO"):-				
Depreciation and amortisation	(162)	(162)	(159)	(483)
Finance costs	(293)	(15)	(17)	(325)
Interest income	1,180	56	123	1,359
Taxation	-	(291)	(283)	(573)
<b>Segment Assets</b>	<b>280,584</b>	<b>204,759</b>	<b>33,881</b>	<b>519,225</b>
Included in the measure of segment assets are:-				
Additions to non-current assets other than financial instruments	-	-	38	38

Reconciliations of reportable segment revenues, profit/loss, assets and liabilities and other material items are as follows:-

	<b>RM'000</b>
<b>Profit or Loss</b>	
Total profit for reportable segments	1,978
Other non-reportable segments	-
Depreciation of plant and equipment	(483)
Finance costs	(325)
Interest income	1,359
<b>Consolidated profit before taxation</b>	<b>2,529</b>

	<b>Total reportable segments RM'000</b>	<b>Non-reportable segments RM'000</b>	<b>Components not monitored by CEO RM'000</b>	<b>Elimination of inter-segment transactions or balances RM'000</b>	<b>Consolidated total RM'000</b>
External revenue	24,111	-	-	(198)	23,912
Depreciation of plant and equipment	(483)	-	-	-	(483)
Finance costs	(325)	-	-	-	(325)
Interest income	1,100	259	-	-	1,359
Segment assets	605,596	18,542	2,277	(95,277)	531,138
Additions to non-current assets	38	-	-	-	38

**By Geographical Segments**

No geographical segment information is presented as the Group operates principally in Malaysia.

**9) Valuation of Property, Plant and Equipment**

Not applicable as the Group's property, plant and equipment are stated at cost less accumulated depreciation.

**10) Material Subsequent Events**

The Directors are of the opinion that no material events affecting the earnings of the Group for the period under review had occurred between 31 March 2017 and the date of this announcement.

**11) Changes in the composition of the Group**

There is no other changes in the composition of the Group for the current financial quarter and financial year to date.

**12) Contingent Liabilities**

There is no contingent liabilities for the Group as at 22 May 2017, being the latest practicable date which is not earlier than 7 days from the date of this announcement, as all the Group's performance/advance bonds had expired following the completion of the relevant contracts and fulfillment of the relevant contractual obligations pursuant to the contracts.

**13) Changes in Material Litigations**

Save as disclosed below and in previous quarterly result announcements and in the audited accounts of the Company and its subsidiary companies, neither the Company nor any of its subsidiaries is engaged in any material litigation/arbitration, either as plaintiff or defendant, and the Directors have no knowledge of any other proceeding pending or threatened against the Company or its subsidiaries or of any fact likely to give rise to any proceedings which may materially affect the position of the Company and its subsidiaries as at the date of this announcement:-

As stated in the shareholders' circular dated 25.01.2017, the Kuala Lumpur Regional Centre for Arbitration ("KLRC") has awarded Sycal Bhd ("Sycal") total sum of RM15.6 million, together with interest and costs ("Awarded Sum"), to be paid by Guangxi Dev & Cap Sdn Bhd ("GDC") within 4 weeks from 16.11.2016. GDC had on 7.12.2016 filed applications to the High Court to set aside the Awarded Sum ("GDC Application") and Sycal had filed applications to the High Court to enforce the Awarded Sum ("Sycal Enforcement Application"). The Court had on 9 March 2017 dismissed GDC Application and allowed Sycal Enforcement Application.

**14) Taxation**

Income tax expense for the current financial quarter and financial year to date are as follows:-

	<b>Current Quarter At 31.03.2017 RM'000</b>	<b>Cumulative year to date RM'000</b>
Malaysian taxation based on profit for the year:-		
Current year	573	573
Deferred taxation:-		
Relating to reversal of temporary differences	-	-
	573	573

**15) Profit/(Losses) on sale of Unquoted Investments and/or Properties**

Except for those occurred within the ordinary course of the Group's businesses, there were no profits on sale of investments and/or properties for the current financial quarter and financial year to date.

**16) Other Investments**

a) Purchases/Sales of Quoted Securities

There is no purchase of quoted securities for the current financial quarter and financial year to date.

b) Included in other investments is investment in quoted shares as follows:-

	<b>At 31.03.2017</b>
	<b>RM'000</b>
Investment in quoted shares, at cost	6
Investment in quoted shares, at carrying value/book value	3
Investment in quoted shares, at market value @ 20.05.2017	2

The Group has no other investment in quoted securities as at 31 March 2017 other than as disclosed above.

**17) Status of Corporate Proposals**

At the Extraordinary General Meeting of the Company held on 23 February 2017, the shareholders of the Company had approved the following proposals:-

- (i) Proposed reduction of the issued and paid-up share capital of the Company involving the cancellation of RM0.75 of the par value of every existing ordinary shares of RM1.00 each ("Proposed Par Value Reduction");
- (ii) Proposed private placement of up to 96,074,868 new ordinary shares of RM0.25 each; and
- (iii) Proposed amendment to the Memorandum & Articles of Association of the Company to facilitate the Proposed Par Value Reduction.

The High Court of Malaya at Kuala Lumpur had on 3 May 2017 granted an order confirming the Proposed Par Value Reduction. The Company will announce the effective date of the Proposed Par Value Reduction in due course.

**18) Group's Borrowings and Debt Securities as at 31 March 2017**

	<b>RM'000</b>
<b>Short Term Borrowings</b>	
Secured:-	
Term Loan	<u>3,080</u>
Hire-purchase payables - repayable within 1 year	<u>2,416</u>
<b>Total Short Term Borrowings</b>	<b>5,496</b>
<b>Long Term Borrowings</b>	
Secured:-	
Term Loan	<u>56,670</u>
Hire-purchase payables - repayable between 2 to 5 years	<u>(1,329)</u>
<b>Total Long Term Borrowings</b>	<b>55,340</b>

**19) Financial Instruments**

The Group has no outstanding derivatives as at 31 March 2017.

There were no gain/loss arising from fair value changes in financial liabilities for the year to date.

**20) Material change in the Quarterly Results compared to previous quarter**

The Group recorded revenue of RM23.9 million and gross profit of RM5.9 million for current quarter as compared to revenue of RM61.76 million and gross profit of RM10.63 million for previous quarter. Revenue and profit for Quarter 1 was lower due to longer holidays for the festive seasons.

**21) Review of Performance of the Company and its Principal Subsidiaries**

The Group recorded revenue of RM23.9 million and gross profit of RM5.9 million for the period ended 31 March 2017 with the ready-mix concrete supply operation contributing to almost 60% of the business activities for the quarter under review as the construction work certifications were affected by the festive seasons in Quarter 4 2016 and Quarter 1 2017. Construction and property development activities are expected to pick up in the second half year of 2017 with the planned commencement/launch of the Group's projects in Ipoh, Taiping and Genting Sempah.

**22) Current Year Prospects**

The Board is of the opinion that the near term prospect is expected to remain challenging for the domestic construction and property industries in view of the weak Ringgit, prolong slow down in domestic economy and stringent lending policies by banks.

However, based on the Group's on going and upcoming planned developments, the Board remains cautiously optimistic that the Group's performance will be satisfactory for the remaining periods of the financial year ending 31 December 2017.

**23) Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee**

Not applicable.

**24) Earnings/(Loss) per share ("EPS")**

Basic

The basic net profit per share is calculated by dividing the Group's profit after taxation and minority interests of RM1.724 million by the number of ordinary shares in issue of 320.25 million as at 31 March 2017.

**25) Reserves**

	<b>As at 31/03/2017</b>	<b>As at 31/12/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Non-distributable:-</u></b>		
Share Premium	16,683	16,683
Exchange Translation Reserve	(1,731)	(1,731)
Revaluation Reserve	85	85
	15,037	15,037
<b><u>Distributable:-</u></b>		
Accumulated Losses	(90,284)	(92,008)
	<b>(75,247)</b>	<b>(76,971)</b>

**Analysis of Accumulated Losses - Realised/Unrealised**

	<b>As at 31/03/2017</b>	<b>As at 31/12/2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Accumulated Losses:-		
Realised	(320,740)	(322,464)
Unrealised	4,723	4,723
	(316,017)	(317,741)
Consolidation adjustments	225,733	225,733
<b>Accumulated losses as per financial statements</b>	<b>(90,284)</b>	<b>(92,008)</b>

**26) Authorised for issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 24 May 2017.

By Order of the Board

Dato' Sri Haji Abd Rahim Bin Haji Abdul  
 Chairman

**SYCAL VENTURES BERHAD**

(Company No. : 547651-U)

**Part A1 : QUARTERLY REPORT**\* Quarterly report for the : 31 March 2017  
financial period ended\* Quarter :  1 Qtr  2 Qtr  3 Qtr  4 Qtr  Other

\* Financial Year End : 31 December 2017

\* The figures :  Have been audited  have not been audited**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION**Summary of Key Financial Information for the financial period ended  
31 March 2017

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2017 RM'000	Preceding Year Quarter 31/03/2016 RM'000	Current Year To Date 31/03/2017 RM'000	Preceding Year To Date 31/03/2016 RM'000
1 Revenue	23,912	20,570	23,912	20,570
2 Profit/(loss) before tax	2,529	2,140	2,529	2,140
3 Profit/(loss) for the period	1,956	1,567	1,956	1,567
4 Net profit/(loss) attributable to ordinary equity holders of the parent	1,724	1,376	1,724	1,376
5 Basic earnings/(loss) per share (sen)	0.54	0.43	0.54	0.43
6 Dividend per share (sen)	-	-	-	-

	AS AT END OF CURRENT QUARTER 31 March 2017	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets/(liabilities) per share attributable to equity holders of the parent (RM)	0.7794	0.7733

**Part 3 : ADDITIONAL INFORMATION**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31/03/2017 RM'000	Preceding Year Quarter 31/03/2016 RM'000	Current Year To Date 31/03/2017 RM'000	Preceding Year To Date 31/03/2016 RM'000
1 Gross interest income	1,359	1,258	1,359	1,258
2 Gross interest expense	325	374	325	374